

LB 141
January 19, 1973

SPEAKER: Is there anything further on your desk, Mr. Clerk? If there are no objections, then, we will proceed to General File, and I might announce which I think you already know that the Governor will be here to address us at 11:00 A.M. The first bill on General File is LB 39.

CLERK: Read title LB 39

SPEAKER: Senator Carpenter who is the principal introducer is not here, so I believe we should pass over that bill, unless there are objections. The next bill is LB 56.

CLERK: That is Senator Duis's bill.

SPEAKER: LB 56. Is Senator Duis here? If he is not here, we'll pass over that and take it up when he comes back. The next bill is LB 140.

CLERK: Read title LB 140. Mr. President, there are no committee amendments.

SPEAKER: Senator Wiltse.

SENATOR WILTSE: This bill is to bring up an opportunity for those that are now employed in a bank to increase their borrowing capacity from the former capacity of \$2500.00 to \$5000.00. With the inflationary situation that we have today it is almost impossible for an individual to buy anything of any consequence for \$2500.00. To illustrate a point if he should want to buy an automobile, it would not cover his requested loan and it would necessitate his going to a neighboring bank instead of using his own bank facilities. This is all that this bill asks is that it be increased so that an individual might borrow up to \$5000.00 for and from his own bank.

SPEAKER: Senator Skarda.

SENATOR SKARDA: I am not objectionable to the bill but the only question in my mind is why is it that you can't borrow from the bank that you're employed in. It seems a question that leaves a lot of doubt in my mind, would you explain to me or did the committee ever hear why an employee or someone, you might say an officer of a bank, can't borrow money from bank where they work or is it--why is it limited, I'll put it in that area. I don't know, it is just a matter of information as far as I'm concerned.

SENATOR WILTSE: At the present time, it's limited by law.

SENATOR SKARDA: I know it is limited by law, but why?

SPEAKER: Senator Wiltse, Senator Duis, I believe, has some comment on that. Senator Duis.

SENATOR DUIS: Senator Skarda, the feelings in the past has been that officers of a bank probably, should probably not be conducting only a certain amount of their own personal business with their own bank and over the past few years, and I am sure Senator Wiltse will agree with me, where they've come from \$1000 to \$2000 and now up to \$5000. As a matter of fact, we asked the question in there why don't we make it more than this so you won't have to come back again but I think most bankers are extremely cautious, at least they are when they lend me money, so they are cautious in this respect as to how much they should lend to their own officers and we deem the bill to be a good bill and that it's reasonable.

SPEAKER: Senator Nore.

SENATOR NORE: Mr. President, fellow members, I think this is a very good statute. It is only a statute to protect your deposit in the bank. I think if you'll recall, no reflection on the present bankers, we had quite a big club down at the